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IN THE UNITED STATES DISTRICT COURT
DISTRICT OF OREGON
PORTLAND DIVISION

FLIR SYSTEMS, INC., an Oregon
corporation,

Plaintiff,

vs.

THOMAS L. GAMBARO, an individual d/b/a
PATENT ENFORCEMENT COMPANY;
MOTIONLESS KEYBOARD COMPANY,
an Oregon corporation.

Defendants.

Civil No.: 3:10-cv-00231-BR

**PLAINTIFF'S CONCISE STATEMENT
OF MATERIAL FACTS IN SUPPORT
OF PLAINTIFF'S MOTION FOR
PARTIAL SUMMARY JUDGMENT
THAT DEFENDANT THOMAS L.
GAMBARO IS BOUND BY '322
PATENT CLAIM CONSTRUCTION IN
PRIOR ACTION**

**PLAINTIFF'S CONCISE STATEMENT OF
MATERIAL FACTS IN SUPPORT OF PLAINTIFF'S
MOTION FOR PARTIAL SUMMARY JUDGMENT**

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Plaintiff FLIR Systems, Inc. (“FLIR”) files this Concise Statement of Material Facts in Support of Plaintiff’s Motion for Partial Summary Judgment that Defendants Thomas L. Gambaro is Bound by ‘322 Patent Claim Construction in Prior Action, as follows:

1. FLIR is a corporation organized under the laws of the State of Oregon, with its principal place of business in Wilsonville, Oregon. *See* Compl. for Declaratory J. of Non-Infringement and Invalidity of Patent (“Compl.”) ¶ 2 (Dkt. No. 1); Def.’s Answer, Defenses, & Counterclaims to Pl. FLIR Compl., filed April 8, 2010, (“Answer”) ¶ 2 (Dkt. No. 11).

2. Defendant Thomas Gambaro (“Gambaro”) is an individual and a resident of Oregon. *See* Answer ¶¶ 3-4.

3. Patent Enforcement Company (“PEC”) is Gambaro’s assumed business name, which he registered with the Oregon Secretary of State on March 30, 2010. *See* eFiling Registration Payment Confirmation for PEC (“PEC Registration”) at 1, previously attached as “Patent Enforcement Company Exhibit 02” to Defendant Opposition to Motion to Strike Answers, filed May 10, 2010 (Dkt. No. 20); Declaration of Susan Marmaduke in Support of Plaintiff’s Concise Statement of Material Facts for Plaintiff’s Motion for Partial Summary Judgment (“Marmaduke Decl.”) Ex. 1 (Hearing Tr. at 22:6-11).

4. Gambaro is the sole inventor named on United States Patent No. 5,332,322, entitled “Ergonomic Thumb-Actuable Keyboard for a Hand-Grippable Device” (the “‘322 Patent”). Compl. ¶ 3; Answer ¶ 3; Marmaduke Decl. Ex. 2 (‘322 Patent Documents”) at 1.

5. The ‘322 Patent discloses a hand-held device that frees the thumb to actuate the keys in multiple and different ways. *See* Answer ¶ 3; Marmaduke Decl. Ex. 2 (‘322 Patent Documents”) at 1.

6. The '322 Patent was issued on July 26, 1994, and expired on January 12, 2010. *See* Marmaduke Decl. Ex. 2 ('322 Patent Documents") at 1.

7. On September 19, 1997, Gambaro assigned the '322 Patent to Motionless Keyboard Company ("MKC"), a corporation organized under the laws of the State of Oregon with its principal place of business located in Oregon. *See* Compl. ¶¶ 3-4; *see* Answer ¶¶ 3-4; Marmaduke Decl. Ex. 3 ("Patent Assignment Abstract").

8. On February 9, 2004, MKC commenced an action for infringement of the '322 Patent against Microsoft Corporation, Saitek Industries, Ltd. and Nokia, Inc., styled *Motionless Keyboard Co. v. Microsoft Corp.*, No. Civ. 04-180-AA, 2005 WL 1113818 (D. Or. May 6, 2005), before the Honorable Ann Aiken of the United States District Court of Oregon, Eugene Division (the "Prior Action"). Marmaduke Decl. Ex. 5 (Prior Action Docket) at No. 1.

9. In the Prior Action, Judge Aiken construed the disputed terms of the '322 Patent claims, and in particular the phrase "a concavity in said housing at said key actuation position, and a thumb-associable cluster of keys forming a keyboard within said concavity . . ." to mean "that the concavity must be formed by a depression in the housing of the device, and that all keys comprising the keyboard must be contained entirely within the concave area and sunk below the surface of the housing, so that the thumb movement occurs within the concave area." *Motionless Keyboard Co.*, 2005 WL 1113818, at **16, 19.

10. On May 29, 2007, the United States Federal Circuit Court of Appeals upheld Judge Aiken's constructions of the '322 Patent in the Prior Action. *Motionless Keyboard Co. v. Microsoft Corp.*, 486 F.3d 1376, 1380-82 (Fed. Cir. 2007).

11. Gambaro was an officer of MKC and its single largest shareholder. *See* Marmaduke Decl. Ex. 6 (PA Depo.) at Vol. 1 at 7:14-25, 8:20-22, 11:6-11; Answer ¶ 4.

12. MKC has used Gambaro's mailing address for the past 30 years. Answer ¶ 4.

13. Gambaro was deposed in the Prior Action in his individual capacity and as the corporate representative for MKC. Marmaduke Decl. Ex. 6 (PA Depo.) Vol. 1 at 11:7-11.

14. Gambaro attended the *Markman* and summary judgment hearing in the Prior Action. Marmaduke Decl. Ex. 8 (PA Hearing Tr.) at 11:7.

15. Gambaro submitted four declarations and three affidavits in the Prior Action. Marmaduke Decl. Ex. 5 (Prior Action Docket) at No. 28 ("Decl. of Thom Gambaro," 4/8/2004), No. 128 ("Decl. of Thom Gambaro," 11/30/2004), No. 155 ("Suppl. Decl. of Thomas Gambaro," 2/23/2005), No. 204 ("Decl. of Gambaro," 8/31/2005), No. 247 ("Aff. * * * Filed by Thomas L. Gambaro," 7/5/2008), No. 249 ("Aff. of Thomas L. Gambaro," 07/25/2008"), and No. 252 ("Aff. * * * Filed by Thomas L. Gambaro," 08/01/2008).

16. Gambaro filed an Entry of Appearance in the appeal of the Prior Action; his motion to appear or intervene in the appeal was denied as moot. Marmaduke Decl. Ex. 10 (Entry of Appearance; PA Appellate Docket).

17. In 2009 and early 2010, Gambaro sent multiple letters to FLIR on MKC letterhead or otherwise on behalf of MKC, asserting infringement based on the same construction of the '322 Patent that was rejected by the trial court (*see Motionless Keyboard Co.*, 2005 WL 1113818 at *19) and by the Federal Circuit (*see Motionless Keyboard Co.*, 486 F.3d at 1380-83) in the Prior Action, and demanding payment of royalties by FLIR for alleged infringement of the '322 Patent. *See* Marmaduke Decl. Ex. 11 and Compl. Ex. E (Nov. 20, 2009, Gambaro letter to Powell and FLIR asserting the same definition for "concavity" that was rejected in the Prior Action); Compl. ¶ 8 & n.2 and Ex. B at 1 and Gambaro Answer ¶ 8 not denying authenticity (Nov. 3, 2009, Gambaro email to FLIR saying, "I represent my more than fifty stockholders who

are due licensing fees and royalties that have now apparently reached a significant level and this needs to be resolved”); Compl. ¶ 14 & n.4 and Ex. D at 2 and Gambaro Answer ¶ 14 not denying authenticity (Nov. 18, 2009, Gambaro letter on MKC letterhead, demanding payment for “willful patent infringements of ‘322 Patent”); Compl. ¶ 19 & n.9 and Ex. I at 3 and Gambaro Answer ¶ 19 not denying authenticity (January 15, 2010, Gambaro letter on MKC letterhead threatening lawsuit by MKC against FLIR and various individuals).

18. On March 1, 2010, FLIR commenced this action seeking a declaration of noninfringement, unenforceability, and invalidity of the ‘322 Patent.

19. Gambaro currently owns all rights in the ‘322 Patent. Gambaro contends that he caused MKC to assign the ‘322 Patent to himself d/b/a PEC. *See* Marmaduke Decl. Ex. 3 (Patent Assignment Abstract); Ex. 1 (Hearing Tr.) at 10:6-9; Ex. 4 (Feb. 14, 2010 Gambaro Letter to Brewer) at 1; Declaration of Farooq A. Tayab in Support of Plaintiff’s Concise Statement of Material Facts in Support of Plaintiff’s Motion for Partial Summary Judgment Ex. 1 (Gambaro Email to Brewer) at 1-2.

DATED this 17th day of September, 2010.

BICKEL & BREWER

William A. Brewer, III, *Admitted Pro Hac Vice*

Michael J. Collins, *Admitted Pro Hac Vice*

Farooq A. Tayab, *Admitted Pro Hac Vice*

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Of Attorneys for Plaintiff FLIR Systems, Inc.

CERTIFICATE OF SERVICE

I certify that on September 17, 2010, I served or caused to be served a true and complete copy of the foregoing **PLAINTIFF'S CONCISE STATEMENT OF MATERIAL FACTS IN SUPPORT OF PLAINTIFF'S MOTION FOR PARTIAL SUMMARY JUDGMENT THAT DEFENDANT THOMAS L. GAMBARO IS BOUND BY '322 PATENT CLAIM CONSTRUCTION IN PRIOR ACTION** on the party or parties listed below as follows:

_____ Via CM / ECF Filing
_____ Via First Class Mail, Postage Prepaid
_____ Via Email
_____ Via Personal Delivery

Thomas L. Gambaro
individually and dba
Patent Enforcement Company
and Motionless Keyboard Company
P.O. Box 14741
Portland, OR 97293

Defendants *Pro Se*

James M. Buchal, Esq.
Murphy & Buchal
2000 SW 1st Avenue, Suite 420
Portland, OR 97201

Counsel for Defendant Motionless
Keyboard Company

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